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SUBJECT: VIETNAM LABOR DELEGATION VISIT TO WASHINGTON:
INFORMAL MEETINGS

REF: STATE 117469

¶1. (SBU) Summary: A delegation from the Vietnamese Ministry of Labor, Invalids and Social Affairs (MOLISA) participated in a series of informal meetings organized by the Hanoi-based USAID-funded Support for Trade Acceleration Project (STAR), in the Washington area from October 20 to 22. The meetings took place in the context of MOLISA's efforts to reform Vietnam's Labor Code and included discussion on a number of key labor issues, including freedom of association, rights to collective bargaining, labor code reform, and dispute resolution. Representatives from USAID, the U.S. Department of Labor, and U.S. Embassy Hanoi also attended the meetings. End summary.

DAY ONE: BROOKINGS AND NLRB

¶2. (SBU) The MOLISA delegation was led by Nguyen Thanh Hoa, Vice Minister, and also included: Dao Van Ho, Deputy Director, Legal Department; Le Kim Dung, Deputy Director, International Cooperation Department; and Nguyen Dung Tien, International Cooperation Department, who served as translator. The meeting at the Brookings Institution focused on American labor history from an academic and research perspective. The delegation showed particular interest in the number of independent American labor unions and the changing patterns of union membership. (Note: Although Vietnam has many trade unions, they are all affiliated with the Vietnam General Confederation of Labor (VGCL). End note.)

¶3. (SBU) In the next meeting, the National Labor Relations Board (NLRB) gave a formal presentation regarding dispute resolution mechanisms. The delegation asked a number of questions related to the purpose and function of the NLRB. (Comment: In the NLRB meeting, it was challenging for the two groups to share experiences and make direction comparisons since the U.S. and Vietnamese contexts differ greatly. End comment.)

DAY TWO: AFL-CIO/SOLIDARITY CENTER AND FEDERAL MEDIATION AND CONCILIATION SERVICE

¶4. (SBU) On day two, AFL-CIO/Solidarity Center representative Earl Brown summarized the history of the American labor movement and its relationship to the development of American labor law. He explained that U.S. industrial relations were based on an adversarial relationship between employer and employee, and dialogue and collective bargaining are needed

to resolve differences. Brown emphasized the role of unions in society, saying that unions are a great engine for democracy and for worker education.

15. (SBU) Brown also shared his analysis of the successes and failures of the current American labor law and said that the NLRB would be a poor model for Vietnam to follow. The Vice Minister explained that Vietnam's Labor Code, adopted in 1984, is being completely revised, including occupational safety and health, labor inspection, and industrial relations. The final draft is due to the National Assembly in 2010, and the National Assembly must adopt the revised code by March 2011. He said they will adopt aspects of the American system, including a form of National Relations Labor Board.

16. (SBU) The Vice Minister also expressed concern about commonplace wildcat strikes in Vietnam, saying they are taking place in part because Vietnam is in the early stages of industrialization. He also said that the VGCL is not always very active, workers are reluctant to become trade union officials, and workers and employers frequently will not meet together.

17. (SBU) Brown emphasized that violence is not a remedy to strikes. Having visited Vietnam recently, he said it would be worthwhile for the AFL/CIO, MOLISA, and the VGCL to plan a

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seminar on how to deal with wildcat strikes and he would like to continue discussions through the Solidarity Center's visitor program.

18. (SBU) Later that day, Federal Mediation and Conciliation Service (FMCS) Commissioner Lynn Sylvester provided an overview of the role and the function of the FMCS.

DAY THREE: NATIONAL LABOR COLLEGE, CITY OF BALTIMORE, AND
RETAIL AND APPAREL COMPANIES

19. (SBU) On October 22, the Provost of the National Labor College welcomed the delegation and explained the school's history and program of study. The Vice Minister said that the University of Labor and Social Affairs in Vietnam, which graduates approximately 1000 students each year, is facing a shortage of qualified educators. He also explained that Vietnam's in-service training program for adult learners is lacking in quality due to a shortage of qualified educators and textbooks. The delegation asked the AFL-CIO/Solidarity Center's representative if he would consider sponsoring three MOLISA officials to attend the National Labor College; the representative said he would follow up.

110. (SBU) City of Baltimore local officials, including the city's Labor Commissioner, the regional FMCS Commissioner, and representatives from the public services trade unions, met the delegation. The participants shared examples from the complex and vibrant labor environment in Baltimore. Participants said the city and its public services unions recently concluded a two-year contract addressing working conditions, grievances, arbitration, and seniority.

111. (SBU) Vice Minister Hoa described Vietnam's industrialization process and the problems with wildcat strikes. He inquired about the relationship between local, national, and international unions, and was particularly interested in learning about the dispute resolution process. He said he is seeking an approach to labor law reform that promotes simultaneously investment and protects workers' rights. (Comment: The delegation appreciated meeting local government officials and grassroots union representatives since many current MOLISA concerns involve interactions at

the local and provincial levels in Vietnam. They noted the effective interactions among union representatives and management and mediators at the local level. End comment.)

¶12. (SBU) The delegation's final meeting was with senior representatives from retail and apparel companies, including Target, Nike, Wal-Mart, Jones Apparel, and Hanes Brands. The meeting focused on the labor concerns of retail and apparel companies. The company representatives raised a range of serious labor and trade-related issues that the delegation, in the absence of the Vice Minister, who was not able to participate, was either unwilling or unable to address.

¶13. (SBU) Retail and apparel company representatives expressed concern about wildcat strikes and noted the importance of provincial labor leaders gaining a better understanding of MOLISA's labor reform, and continuing to train workers to help them understand their rights. MOLISA responded that all parties want illegal strikes to cease and the GVN government is taking action to minimize illegal strikes by encouraging dialogue.

¶14. (SBU) One corporate representative asked about the purpose of the one-percent "trade union fee" (to take effect on January 1, 2009) that will be taken from the payrolls of foreign-owned/invested enterprises. MOLISA responded that these funds will help train employees to raise awareness about their rights at work. The retail and apparel representatives said that they expect factories to adhere to human rights and international labor standards, and made known that compliance in the factories would determine where they buy merchandise. (Note: During the retail and apparel meeting, the MOLISA delegation emphasized that one of the main functions of the VGCL is to get workers to meet company production targets. End note.)

COMMENT

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¶15. (SBU) The MOLISA delegation's side meetings in Washington did not provide directly detailed guidance on labor code reform in Vietnam; however, the meetings did provide opportunities for the group to hear a range of views on labor issues, learn more about U.S. labor dispute mechanisms, and make additional contacts that may be able to provide resources for future cooperation. End comment.

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